

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MISSOURI**

**FEDERAL TRADE COMMISSION,
et al.,**

Plaintiffs,

v.

NEXT-GEN, INC., et al.,

Defendants.

Case No. 4:18-CV-00128-DGK

RECEIVER'S STATUS REPORT

Eric Johnson, the duly-appointed Receiver in the captioned action and Trustee for the Next-Gen Receivership Trust ("Receiver") submits this status report as to the wind-down of the Receivership and Trust Estates:

1. The Receiver appreciates the Court's continue patience in wrapping up the final tasks of the receivership. The Receiver is extremely apologetic for the delay in wrapping up the receivership and offers his sincerest apologies to the Court.

2. By way of explanation, as the Court knows, the Receiver is also a practicing bankruptcy attorney. This past fall, the Receiver was called into a complex out-of-state Chapter 11 bankruptcy case involving one of his long-time clients. The Receiver is lead counsel for his client, which is a significant creditor. The Chapter 11 case has required a substantial amount of the Receiver's attention and time on account of multiple emergency hearings and a robust briefing/response schedule on a variety of time sensitive issues. Additionally, the Receiver is also a Chapter 11 trustee in a case pending in the District of Kansas and serves as a panel Chapter 7 trustee for the Western District of Missouri, which also are both time intensive.

3. The Receiver, however, understands the importance of getting this matter

completed and continues to make progress towards that end. The Receiver believes he is close to finishing the same. As such, he provides the following timeline in which to resolve the remaining key items:

- a. By **January 7, 2022**, the Receiver anticipates completing the following:
 - i. Filing of a fee application for RubinBrown related to its remaining accounting fees. Except for RubinBrown, the Receiver and his law firm, all other professionals have been paid under existing Court order. The Receiver does not intend to seek compensation for himself or his law firm until the Final Notice (as defined herein) is issued; and
 - ii. Completing any remaining tasks related to the electronic storage. The Receiver believes this is largely complete and will be confirming timing related to the destruction of electronic data and making any outstanding payments to UnitedLex related to the same.
- b. By **January 14, 2022**, the Receiver anticipates completing the following:
 - i. Closing of out of the Wells Fargo account. The Receiver has been in touch with the Wells Fargo personnel seeking to finalize and close out this account and is awaiting any final documentation to accomplish the same.
 - ii. Completing any remaining items related to the consumer notices that have been sent.¹ The Receiver has received several returned notices and will coordinate with the parties regarding any returned funds that the receivership estate does not claim an interest, which may include turnover to the Missouri Treasurer pursuant to the unclaimed property statute. The Receiver will coordinate with the Plaintiffs before doing so, but believes that the amount will likely be *de minimis*.
- c. By **January 24, 2022**, the Receiver anticipates obtaining any remaining paperwork or tax clearance letters necessary to complete the termination of the corporate entities.
- d. By **January 31, 2022**, the Receiver anticipates completing the following:
 - i. Issuing any required 1099 forms for 2021;
 - ii. Disposing of any remaining personal property in possession of the Receiver;

¹ As previously reported, the Spencer Fane personnel assisting in sending the remaining notices unfortunately left the firm with little advance notice, which has caused a delay.

- iii. Submitting any remaining articles of termination and dissolution of the corporate entities; and
 - iv. Dismissing any related ancillary proceedings necessary for jurisdictional reasons.
 - e. By **February 4, 2022**, the Trustee anticipates filing his Notice of Final Disbursement and Accounting (the “Final Notice”). The Receiver currently has approximately \$90,209.05 remaining on hand, which the Trustee anticipates being sufficient with respect to paying the outstanding receiver and professional fees.
4. After all funds have been distributed and pursuant to the various procedures, the Receiver will file a notice with the Court related to closure of the Trust along with required Form 56 tax filings with the IRS. Once again, the Receiver appreciates the Court’s patience and is sincerely sorry for any delay in completing the receivership estate.

Dated: December 31, 2021.

Respectfully submitted,

/s/ Eric L. Johnson, Receiver
Eric L. Johnson, Receiver/Trustee
MO #53131
1000 Walnut Street, Suite 1400
Kansas City, Missouri 64106-2140
(816) 292-8267
ejohnson@spencerfane.com

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on December 31, 2021, a true and correct copy of the foregoing was filed electronically with the United States District Court for the Western District of Missouri using the CM/ECF system, which sent notification to all parties of interest participating in the CM/ECF system.

/s/ Eric L. Johnson
Receiver